

NEWS RELEASE



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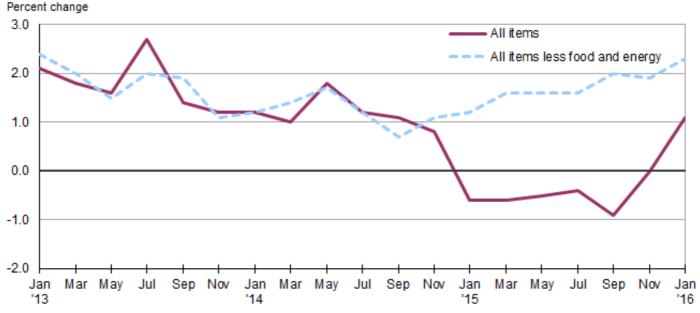
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Consumer Price Index, Dallas-Fort Worth — January 2016 Area prices unchanged in December and January; up 1.1 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Dallas-Fort Worth was unchanged in December and January, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Stanley W. Suchman noted that declines in energy and food prices, down 5.9 and 0.5 percent, respectively, were balanced by a 0.7-percent increase in the index for all items less food and energy. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

During the year ended in January 2016, the all items CPI-U rose 1.1 percent. (See <u>chart 1</u> and <u>table 1</u>.) This marked the first annual increase for the overall index since the year ended in November 2014 when prices rose 0.8 percent. The index for all items less food and energy increased 2.3 percent during the latest period, the fastest annual rise since January 2013 (2.4 percent).

Chart 1. Over-the-year percent change in CPI-U, Dallas-Fort Worth, January 2013-January 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices fell 0.5 percent in December and January, after rising 1.2 percent in the previous two-month period. The decline in food prices was the first since June and July 2015. Current movements among the two components of the index were markedly different as prices for food at home (grocery store prices) decreased 1.5 percent while prices for food away from home increased 0.7 percent.

From January 2015 to January 2016, food prices edged up 0.2 percent, reflecting the combined effects of a 2.9-percent price rise for food away from home and a 1.9-percent decline in grocery store prices.

Energy

The energy index decreased 5.9 percent in December and January, after falling 5.3 percent in October and November. The biggest factor in the current two-month decline was a 10.9-percent decrease in the motor fuel index, though lower natural gas costs were another large contributor, down 9.9 percent. Electricity prices also slipped during the period, edging down 0.2 percent.

During the year ended in January 2016, energy costs registered a 9.6-percent decrease as prices fell for all three energy components. A 10.2-percent drop in household energy prices was the biggest factor in the decrease, as natural gas and electricity costs fell 18.2 and 8.7 percent, respectively. Also contributing to the overall energy decline were lower motor fuel prices, down 8.6 percent.

All items less food and energy

The index for all items less food and energy increased 0.7 percent in December and January, after registering little change (0.1 percent) in October and November. Among the leading factors in the advance were higher prices for shelter and medical care, increasing 1.7 and 2.3 percent, respectively. Also contributing to the current advance were higher prices for new and used motor vehicles. Slowing these gains were lower prices for apparel (-7.2 percent), recreation (-1.6 percent), education and communication (-1.0 percent), and other goods and services (-0.5 percent).

From January 2015 to January 2016, the index for all items less food and energy advanced 2.3 percent. The biggest factor in the annual increase was a 4.8-percent rise in shelter costs, as the indexes rose for both renters' costs (5.4 percent) and owners' equivalent rent (4.4 percent). Other contributors to the annual rise included medical care (4.2 percent), education and communication (1.4 percent), and other goods and services (1.1 percent). Countering a portion of these advances, annual declines were registered for apparel (-4.8 percent) and recreation (-2.6 percent).

The March 2016 Consumer Price Index for All Items for Dallas-Fort Worth is scheduled to be released Thursday, April 14, 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2)

a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details, see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, *The Consumer Price Index*, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: **Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Dallas-Fort Worth, Texas, Consolidated Metropolitan Statistical Area (CMSA) includes Collin, Dallas, Denton, Ellis, Henderson, Hood, Hunt, Johnson, Kaufman, Parker, Rockwall, and Tarrant Counties.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Dallas-Fort Worth, TX (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from -		
	Nov. 2015	Dec. 2015	Jan. 2016	Jan. 2015	Nov. 2015	Dec. 2015
All items.	217.104	_	217.164	1.1	0.0	
All items (1967 = 100)	681.042	_	681.232			
Food and beverages	251.370	_	250.567	0.3	-0.3	_
Food	246.210	_	245.023	0.2	-0.5	_
Food at home.	222.247	220.312	218.848	-1.9	-1.5	-0.7
Food away from home	283.639	-	285.730	2.9	0.7	-
Alcoholic beverages	317.879	_	323.050	1.5	1.6	_
Housing	199.230	_	201.464	2.5	1.1	_
Shelter	215.773	216.219	219.360	4.8	1.7	1.5
Rent of primary residence ⁽¹⁾	228.611	229.751	230.106	5.4	0.7	0.2
Owners' equivalent rent of residences (1) (2)	231.153	231.649	234.329	4.4	1.4	1.2
Owners' equivalent rent of primary residence (1) (2)	201.100	201.040	204.020		"-"	1.2
owners equivalent for a primary residence	231.153	231.649	234.329	4.4	1.4	1.2
Fuels and utilities	218.996	-	216.447	-6.3	-1.2	_
Household energy	202.956	202.197	199.441	-10.2	-1.7	-1.4
Energy services (1) (3)	199.752	199.043	196.294	-10.2	-1.7	-1.4
Electricity ⁽¹⁾	191.505	191.505	191.214	-8.7	-0.2	-0.2
Utility (piped) gas service (1)	195.019	190.362	175.655	-18.2	-9.9	-7.7
Household furnishings and operations	125.402	- 100.002	125.373	-1.1	0.0	-
Apparel	110.391	_	102.407	-4.8	-7.2	_
Transportation.	193.068	_1	190.804	-1.3	-1.2	
Private transportation.	195.203	[]	192.431	-1.1	-1.4	
Motor fuel.	180.201	173.229	160.579	-8.6	-10.9	-7.3
Gasoline (all types).	178.914	173.229	159.680	-7.8	-10.8	-7.3 -7.2
Gasoline (all types)	171.353	164.674	152.097	-8.9	-11.2	-7.2 -7.6
Gasoline, unleaded regular	191.211	184.727	172.710	-5.9	-9.7	-6.5
Gasoline, unleaded midgrade Gasoline, unleaded premium (4)	197.478	190.573	179.617	-3.0	-9.0	-5.7
Medical care	418.677	190.573	428.476	4.2	2.3	-5.7
Recreation ⁽⁶⁾	111.323	-1	109.561	-2.6	-1.6	-
Education and communication (6)	140.750	-	139.350	1.4	-1.0	-
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Other goods and services	387.069	-	384.990	1.1	-0.5	-
Commodity and service group						
Commodities	171.149	-	168.111	-2.1	-1.8	-
Commodities less food and beverages	135.495	-	131.894	-3.6	-2.7	-
Nondurables less food and beverages	160.335	-	152.905	-3.8	-4.6	-
Durables	113.340	-	112.801	-3.6	-0.5	-
Services	262.083	-	265.124	3.1	1.2	-
Special aggregate indexes						
All items less shelter	218.520	-	216.914	-0.6	-0.7	-
All items less medical care	207.330	-	206.943	0.8	-0.2	-
Commodities less food	140.159	-	136.711	-3.4	-2.5	-
Nondurables	201.526	-	196.888	-1.6	-2.3	-
Nondurables less food	167.665	-	160.788	-3.4	-4.1	-
Services less rent of shelter (2)	328.700	-	330.647	1.3	0.6	-
Services less medical care services	246.445	-	248.732	2.9	0.9	-
Energy	193.324	189.547	181.945	-9.6	-5.9	-4.0
All items less energy	223.021	-	224.102	1.9	0.5	_

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Dallas-Fort Worth, TX (1982-84=100 unless otherwise noted) - Continued

		Indexes		Percent change from -		
Item and Group	Nov. 2015	Dec. 2015	Jan. 2016	Jan. 2015	Nov. 2015	Dec. 2015
All items less food and energy	219.238	-	220.677	2.3	0.7	-

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

Note: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Indexes on a December 1982=100 base.

 $^{^{\}left(3\right)}$ Prior to January 2011 this series was titled Gas (piped) and electricity.

⁽⁴⁾ Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.

⁽⁶⁾ Indexes on a December 1997=100 base.